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IBH REPORTS FIRST FISCAL QUARTER RESULTS

Caracas, January 31, 2002...International Briquettes Holding, IBH, a Sivensa subsidiary dedicated to the production and sale of hot briquetted iron, reported sales of US\$ 13.5 million for the October-December 2001 period, slightly higher than the US\$ 13 million recorded in the same period of the preceding year. The operating loss reported was US\$ 4.2 million and the net loss, US\$ 17.9 million.

Venprecar's production in the quarter was 150,798 MT, negatively affected by quality problems with the pellets used as raw material. This caused channeling in the plant's reactor. Venprecar's production in the same quarter of the previous year was 158,500 MT.

Separately, the events of September 11 worsened the crisis in the international market for metallics. As a result, prices for some kinds of high-quality scrap reached levels comparable to those recorded in the year 1998, as a consequence of the Asian crisis.

Orinoco Iron

In the October-December 2001 period, there was a failure in the header's refractory of Module 1's gas reformer, and in the production train's carbonate re-boilers. The first failure was corrected in the month of November during a 10-day shutdown to substitute the refractory, and the second one is being attended to by the manufacturer, who will supply the new equipment in the coming month of February.

In accordance to what was decided at the end of the past fiscal year, since the month of October, only one of the two modules of the Orinoco Iron plant is being operated. Consequently, in the reported quarter only production trains 1 and 2 operated. The production volume reached by the two trains in the period was 147,946 MT.

IBH's financial statements show a US\$ 13.6 million loss under *Equity Participation in Affiliates*. This was mainly due to Orinoco Iron's results, which were impacted by reduced production, low price level for the briquettes and the financial burden.

Financial Aspect

During the quarter, talks with the banks, BHP Billiton and the suppliers (especially the State companies) continued in order to restructure Orinoco Iron's debt, which reaches US\$ 658 million. Similarly, actions geared to the possible incorporation of a new shareholder to Orinoco Iron were advanced.

International Briquettes Holding, IBH (Nasdaq: IBHVF) consolidates Venprecar's financial results and has a 50/50 partnership with BHP Billiton, under which are the Orinoco Iron and Operaciones RDI plants; and Brifer, which holds the intellectual rights of the FINMET® technology.

International Briquettes Holding and its subsidiaries.
US GAAP Financial Statements
(In thousands of US\$)

ASSETS	December 31,	
	2001	2000
Current Assets		
Cash and cash equivalents	568	11,274
Accounts receivable		
Commercial and other	9,120	6,545
Related companies	12,114	2,030
Inventories	8,210	13,608
Prepaid expenses and other current assets	<u>976</u>	<u>640</u>
TOTAL CURRENT ASSETS	30,988	34,097
Property plant and equipment	101,681	111,391
Investments	40,584	98,284
Spare parts and other assets	<u>2,747</u>	<u>5,876</u>
<u>TOTAL ASSETS</u>	<u>176,001</u>	<u>249,648</u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable		
Suppliers	2,635	4,939
Related Companies	28,514	20,889
Profit sharing, vacations and other personnel accruals	620	533
Taxes payable	12	40
Other current liabilities	<u>192</u>	<u>414</u>
TOTAL CURRENT LIABILITIES	31,973	26,815
Accrued employees termination benefits, net of advances	1,063	907
Other liabilities		
TOTAL LIABILITIES	<u>33,036</u>	<u>27,722</u>
Minority Interest	2,884	3,083
Shareholders' equity	<u>140,082</u>	<u>218,843</u>
<u>TOTAL LIABILITIES, MINORITY INTEREST AND SHAREHOLDERS' EQUITY</u>	<u>176,001</u>	<u>249,648</u>

International Briquettes Holding and its subsidiaries
Consolidated Income Statement
(In thousands of US\$)

	<u>Quarter ended Dec.</u>	
	<u>2001</u>	<u>2000</u>
Net Sales	13,514	13,058
Cost of sales	<u>(16,504)</u>	<u>(14,410)</u>
Gross Profit (loss)	(2,990)	(1,352)
General and administrative expenses	<u>(1,180)</u>	<u>(1,148)</u>
Operating income (loss)	<u>(4,170)</u>	<u>(2,500)</u>
Interest income (net)	(235)	1,904
Equity in results of affiliates	(13,646)	(12,862)
Foreign exchange gain (loss)	138	257
Other expenses, net	<u>(29)</u>	<u>(321)</u>
Income (loss) before taxes and minority interest	<u>(17,942)</u>	<u>(13,522)</u>
Taxes (expense)	<u>-</u>	<u>(26)</u>
Income (loss) before minority interest	(17,942)	(13,548)
Minority interest	<u>45</u>	<u>(5)</u>
Income (loss) net	<u>(17,897)</u>	<u>(13,553)</u>